EXHIBIT 13

DECLARATION OF DAVID PAUL NORTON

I, David P. Norton, declare as follows:

1. I am the Vice President for Research at the University of Florida in Gainesville, Florida. I have held that position since 2012.

2. As Vice President for Research, I have personal knowledge of the contents of this declaration, or have knowledge of the matters based on my review of information and records gathered by University of Florida personnel, and could testify thereto.

3. The University of Florida receives substantial annual funding from the National Institutes of Health ("NIH"). In FY2024, the University of Florida received awards from the NIH totaling approximately $320 million. Total expenditures in FY2024 funded by the NIH were approximately $328 million of which approximately $94 million were recovered Facilities & Administration (F&A) costs.

4. The funding the University of Florida receives from NIH supports critical and cutting-edge medical research, which millions of Americans benefit from and depend on. For example:

   a. In the area of cancer, malignant brain tumors in both adults and children remain one of the most difficult cancers to treat. The University of Florida's cancer researchers are actively investigating the use of immunotherapy as a pathway for a cure to this deadly disease.

   b. In the area of neurological diseases, Parkinson's disease is a disabling disorder for many persons in the latter years of life. University of Florida researchers are engaged in basic and clinical research aimed at providing for better outcomes for persons stricken with this terrible disease.

c. Amyotrophic Lateral Sclerosis, also known as ALS or Lou Gehrig's disease, is a neurodegenerative disease which causes the loss of nerve cells in the brain and spinal cord. Researchers at the University of Florida are performing cutting edge genetics research in search of both the root cause and eventual treatment for this disease.

5. Indirect costs, also known as Facilities and Administrative (F&A) costs, are essential for supporting this research. The NIH's proposal to cut indirect cost rates to 15% would end or seriously jeopardize all of the research projects described in paragraph 4.

6. Indirect costs include costs associated with equipment and facilities, along with associated maintenance, that is necessary for advanced research, equipment such as magnetic resonance imaging that is enabling for the neurological research described in 4a) and 4b). Without this equipment, we cannot conduct the research.

7. For example, with respect to the areas of research described in Paragraph 4:

a. Specialized manufacturing equipment is needed for the synthesis of biologics (specialized drugs) used in immunotherapy research.

8. Physical space costs are one of the largest components of indirect costs, and the amount of space available to researchers has a direct and obvious impact on the amount of research that can be done at the University of Florida. The University of Florida is currently renovating a number of biomedical laboratories for researchers funded by the NIH. This renovation project is at risk of being suspended with the imposed cap on F&A rates.

9. In addition, indirect costs fund the administration of awards, including staff who ensure compliance with a vast number of regulatory mandates from agencies such as NIH.[1] These

[1] https://grants.nih.gov/grants/policy/nihgps/nihgps.pdf

mandates serve many important functions, including protecting human and animal subjects involved in research; ensuring research integrity; properly managing and disposing of chemical and biological agents used in research; preventing financial conflicts of interest; managing funds; preventing intellectual property, technologies, or national security expertise from being inappropriately accessed by foreign adversaries; and providing the high level of cybersecurity, data storage, and computing environments mandated for regulated data.

10. Recovery of the University of Florida's indirect costs is based on predetermined rates that have been contractually negotiated with the federal government.

11. Through fiscal year 2025, the predetermined Modified Total Direct Cost (MTDC) indirect cost rates are 52.5% applicable for on-campus Organized Research, 32.6% for on-campus Other Sponsored Activities, 47.5% for on-campus Instruction, and 26.5% for off-campus.

12. The impact of a reduction in the indirect cost rate would be devastating. Of the $328 million in NIH funding that the University of Florida spent in FY2024, approximately $234 million was allocated for direct costs, and $94 million for indirect costs. Similarly, in fiscal year 2025, the University of Florida expects to receive approximately $235 million in NIH funding for direct costs, while $94 million is allocated for indirect costs. And over the next five years, the University of Florida anticipates receiving an average of $250 million from the NIH for annual direct costs. Based on the predetermined indirect cost rate of 52.5% for Organized Research, which was agreed upon by the federal government as of June 26, 2023, the University thus expects to receive approximately $100 million in indirect cost recovery on an annual basis.

13. If—contrary to what the University of Florida has negotiated with the federal government—the indirect cost rate is reduced to 15%, the anticipated University's annual indirect cost recovery would be reduced by approximately $70 million, to $30 million.

14. This reduction will have deeply damaging effects on the University of Florida's ability to conduct research from day one. Most critically, it will necessarily and immediately result in staffing reductions across the board. For example:

a. The University of Florida Research Integrity, Security & Compliance (RISC) unit is charged with ensuring regulatory and institutional compliance for all research activities. Critical areas include research integrity, research misconduct, research security, export control, and conflict of interest. Without appropriate funding for indirect costs, the University would have to reduce staffing within RISC by an estimated 5 individuals, which would immediately impact its ability to ensure university compliance with federal regulations.

b. The University of Florida's Division of Sponsored Programs (DSP) is responsible for the submission of all research proposals for faculty researchers as well as award setup and contract negotiations for the entire campus. Without appropriate funding for indirect costs, the University would have to reduce staffing within DSP by an estimated 18 individuals, thus crippling the its ability to submit proposals, negotiate awards, and setting up subcontracts such as to be consistent with the funding agency's accountability requirements.

c. The University of Florida's Research Division of Contracts & Grants is tasked with the financial stewardship of all federal awards including those from the NIH. This unit is responsible for sponsored project set-up, determining the

allowability of costs, billing, accounts receivable, financial reporting, cost sharing, and grant closeout. Without appropriate funding for indirect costs, the University would have to reduce staffing within Contracts & Grants by an estimated 22 individuals, thus crippling the University of Florida's ability to meet its obligations to manage federally-funded grants, including grants from the NIH, so as to meet the funding agency's accountability requirements.

15. The University of Florida has for decades relied on the payment of indirect costs. And until now, we have been able to rely on the well-established process for negotiating indirect cost rates with the government to inform our budgeting and planning. Operating budgets rely on an estimate of both direct and indirect sponsored funding to plan for annual staffing needs (*e.g.*, post-docs, PhD students, and other research staff), infrastructure support (*e.g.*, IT networks, regulatory compliance, and grant management support), and facility and equipment purchases. And in some cases, the University of Florida has long-term obligations—for example, tenured faculty salaries, graduate student support, and bond payments related to biomedical laboratory renovation—and it relies on budgeted grant funding, including associated indirect cost recovery, to fulfill these commitments.

16. In addition to the immediate impacts and reliance interests described above, there are longer term impacts that are both cumulative and cascading. These include safety issues from lack of staffing for environmental health and safety, as well as human subject research oversight due to reduction in staffing for the Institutional Review Board that oversees our human subject protections program.

17. Disruptions to the University of Florida's research enterprise will also have negative effects in the city of Gainesville FL, the state of Florida, and the broader region as the

University of Florida's research enterprise, particularly the University of Florida biomedical research community, feeds the University of Florida's technology transfer and business incubator programs that are internationally recognized as among the best in the US. Thousands of Florida residents are directly employed by the University of Florida—and it collaborates with state and local partners to help solve regional challenges through joint research and innovation. The University of Florida's research also fuels spending in the regional economy, including by driving discoveries that launch new ventures, attract private investment, and make a positive social impact. A massive reduction in the University of Florida's research budget would immediately and seriously jeopardize these contributions to the local region and to the state of Florida.

18. Finally, slowdowns or halts in research by the University of Florida and other American universities will allow competitor nations that are maintaining their investments in research to surpass the United States on this front, threatening both our Nation's national security and its economic dominance. The University of Florida's biomedical research enterprise includes research in emerging and known pathogens that threaten agriculture, animals, and human life. Disruptions in the University of Florida's research in these areas will place our country and economy at greater risk.

19. Nor can the University of Florida cover the funding gap itself. With a business model most heavily dependent on research funding, student tuition and state appropriations, it is neither feasible nor logical to seek financial assistance from student tuition or Florida tax payers to subsidize work for the US federal government. While the University of Florida maintains an endowment, it is neither feasible nor sustainable for the University of Florida to use endowment funds or other revenue sources to offset shortfalls in indirect cost recovery, for several reasons:

a. The majority of University of Florida's endowment is restricted to specific donor-designated purposes, such as scholarships, faculty chairs, and academic programs. The University of Florida is not legally permitted to use those funds to cover research infrastructure costs per those donor agreements.

b. Even the portion of the endowment that is unrestricted is subject to a carefully managed annual payout, to ensure long-term financial stability for the institution.

c. As a public university tasked by the state of Florida to carefully steward its resources, the University of Florida reinvests nearly all of its revenue into mission-critical activities, leaving little margin to absorb unexpected funding gaps. In other words, unlike for-profit organizations, the University of Florida does not generate significant surpluses that could be redirected without impacting core academic priorities such as educational programs and financial aid support for students.

20. Moreover, absorbing the cost of a lower indirect cost rate, even if it were possible, would create long-term budget pressures on the University of Florida—which would in turn force reductions in key investments supporting the University of Florida's faculty, students, staff, research, and teaching infrastructure, as well as other critical activities needed to maintain the University of Florida's academic excellence.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 10, 2025, in Gainesville, FL.

David Norton

David P. Norton